

Reprint 2/28

FILED FEB 8 1984

SENATE FILE 2160

BY COMMITTEE ON LABOR AND INDUSTRIAL RELATIONS

Approved 2/8 (p. 361)

Passed Senate, Date 2-13-84 (p. 401)

Passed House, Date 3-15-84 (p. 1059)

Vote: Ayes 46 Nays 0

Vote: Ayes 96 Nays 3

Approved _____

Motion to reconsider (p. 402) prevailed 2/24

*Repassed Senate 2-24-89 (p. 530)
46-0*

A BILL FOR

1 An Act to provide a preference for residents in awarding of
2 public contracts in certain situations.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S. 2160

5140,
amend all

1 Section 1. NEW SECTION. 73.12 PUBLIC IMPROVEMENT
2 CONTRACTS. If competitive bidding is required by law, a
3 contract for a public improvement or any services required
4 in the construction of a public improvement shall be awarded
5 to a resident of this state submitting the lowest responsible
6 bid if the resident's bid is not more than ten percent higher
7 than the lowest responsible nonresident bid. However, the
8 criteria set out in this section shall apply only to bids
9 received from a nonresident of a state which has a law
10 providing preferential treatment for the letting of bids for
11 public improvements or any services required in the
12 construction of a public improvement to a resident of that
13 state.

14 EXPLANATION

15 The bill provides for preferential treatment of state
16 residents in the award of contracts for public improvements
17 where the resident is competing with a nonresident who is
18 provided preferential treatment in the nonresident's state
19 of residence. The bill takes effect July 1 following
20 enactment.

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S-5150

1 Amend Senate File 2160 as follows:

2 1. By striking everything after the enacting
3 clause and inserting in lieu thereof the following:

4 "Section 1. Chapter 23, Code 1983, is amended
5 by adding the following new section:

6 NEW SECTION. 23.21 BID PREFERENCE UNDER CERTAIN
7 CONDITIONS. Notwithstanding this chapter, chapter
8 331, or chapter 384, when a contract for a public
9 improvement is to be awarded to the lowest responsible
10 bidder, a resident bidder shall be allowed a preference
11 as against a nonresident bidder from a state or foreign
12 country which gives or requires a preference to bidders
13 from that state or foreign country. The preference
14 is equal to the preference given or required by the
15 state or foreign country in which the nonresident
16 bidder is a resident. "Resident bidder" means a
17 person authorized to transact business in this state
18 and having a place of business for transacting business
19 within the state at which it is and has conducted
20 business for at least six months prior to the first
21 advertisement for the public improvement and in the
22 case of a corporation, at least fifty percent of the
23 common stock is owned by residents of this state.
24 If another state or foreign country has a more
25 stringent definition of a resident bidder, the more
26 stringent definition is applicable as to bidders from
27 that state or foreign country."

28 Sec. 2. This Act, being deemed of immediate
29 importance, takes effect from and after its publication
30 in the Waterloo Courier Record, a newspaper published
31 in Waterloo, Iowa, and in The Red Oak Express, a
32 newspaper published in Red Oak, Iowa."

S-5150 FILED

FEBRUARY 23, 1984

Adopted 2/24 (p. 529)

BY CALVIN O. HULTMAN
TED ANDERSON

S-5140

1 Amend Senate File 2160 as follows:
2 1. By striking everything after the enacting
3 clause and inserting in lieu thereof the following:
4 "Section 1. Chapter 23, Code 1983, is amended
5 by adding the following new section:
6 NEW SECTION. 23.21 BID PREFERENCE UNDER CERTAIN
7 CONDITIONS. Notwithstanding this chapter, chapter
8 331, or chapter 384, when a contract for a public
9 improvement is to be awarded to the lowest responsible
10 bidder, a resident bidder shall be allowed a preference
11 as against a nonresident bidder from a state which
12 gives or requires a preference to bidders from that
13 state. The preference is equal to the preference
14 given or required by the state in which the nonresident
15 bidder is a resident. "Resident bidder" means a
16 person authorized to transact business in this state
17 and having a place of business for transacting business
18 within the state at which it is and has conducted
19 business for at least six months prior to the first
20 advertisement for the public improvement and in the
21 case of a corporation, at least fifty percent of the
22 common stock is owned by residents of this state.
23 If another state has a more stringent definition of
24 a resident bidder, the more stringent definition is
25 applicable as to bidders from that state."

S-5140 FILED

FEBRUARY 17, 1984

*Placed out of order 2/24 (p. 529)*BY CALVIN O. HULTMAN
TED ANDERSON

See Show 2/28

Senate File 2160

Labor and Industrial Relations: Sturgeon, Chair; Connors, Corey, Groth and Halvorson of Clayton.

SENATE FILE 2160

Do Pass 3/9 (p. 932)

BY COMMITTEE ON LABOR AND INDUSTRIAL RELATIONS

(AS AMENDED AND PASSED BY THE SENATE FEBRUARY 24, 1984)

As Passed Senate, Date 3-26-84 (p. 1024) Passed House, Date 3-15-84 (p. 1059)

Vote: Ayes 46 Nays 0 Vote: Ayes 96 Nays 3

Approved March 26, 1984 (p. 1298)

Passed House as further amended by Senate 3-27-84 (1368) 96-2

A BILL FOR

1 An Act to provide a preference for residents in awarding of
2 public contracts in certain situations.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

COMMUNICATION FROM THE SECRETARY OF STATE

April 13, 1984

Ms. K. Marie Thayer
Secretary of the Senate
State Capitol Building
LOCAL

Dear Ms. Thayer:

Pursuant to the authority vested in the undersigned, Secretary of State of the State of Iowa, under the provisions of Section 3.9, Code of Iowa, 1983, there being no newspaper by the name of the Waterloo Courier Record, published in Waterloo, Iowa, I hereby designate the Waterloo Courier Cedar Falls Record, a newspaper published in Waterloo, Iowa, to publish Senate File 2160.

I further certify that, Senate File 2160 was published in The Red Oak Express, Red Oak, Iowa, on April 6, 1984, and in the Waterloo Courier Cedar Falls Record, Waterloo, Iowa, on April 9, 1984.

Respectfully submitted
MARY JANE ODELL
Secretary of State

1 Section 1. Chapter 23, Code 1983, is amended by adding
2 the following new section:

3 NEW SECTION. 23.21 BID PREFERENCE UNDER CERTAIN

5704 4 CONDITIONS. Notwithstanding this chapter, chapter 331, or
5 chapter 384, when a contract for a public improvement is to
6 be awarded to the lowest responsible bidder, a resident bidder
7 shall be allowed a preference as against a nonresident bidder
8 from a state or foreign country which gives or requires a
9 preference to bidders from that state or foreign country.
10 The preference is equal to the preference given or required
11 by the state or foreign country in which the nonresident
5707 > 12 bidder is a resident. "Resident bidder" means a person
13 authorized to transact business in this state and having a
14 place of business for transacting business within the state
15 at which it is and has conducted business for at least six
16 months prior to the first advertisement for the public
17 improvement and in the case of a corporation, at least fifty
18 percent of the common stock is owned by residents of this
19 state. If another state or foreign country has a more
20 stringent definition of a resident bidder, the more stringent
21 definition is applicable as to bidders from that state or
5481 > 22 foreign country.

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5704 23 Sec. 2. This Act, being deemed of immediate importance,
24 takes effect from and after its publication in the Waterloo
25 Courier Record, a newspaper published in Waterloo, Iowa, and
26 in The Red Oak Express, a newspaper published in Red Oak,
27 Iowa.

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SENATE FILE 2160

H-5481

1 Amend Senate File 2160 as amended, passed and
2 reprinted by the Senate, as follows:
3 1. Page 1, line 22, by inserting after the period
4 the words "Contractors who have done business with
5 a municipality or have been certified by the department
6 for a period of five years are exempt from the require-
7 ments of this section."

H-5481 FILED MARCH 8, 1984 BY TOFTE of Winneshiek
#12 3/15 (p. 1055)

SENATE FILE 2160

H-5604

1 Amend Senate File 2160 as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 1, by inserting after line 22 the
4 following:
5 "Sec. ____ Section 1 applies to contracts for
6 public improvements for which requests for bids are
7 published or requested after the effective date of
8 this Act."
9 2. Renumber sections and correct internal
10 references as necessary in accordance with this
11 amendment.

BY HANSON of Delaware
H-5604 FILED MARCH 12, 1984 RENSINK of Sioux
Adopted 3/15 (p. 1051)

SENATE FILE 2160

H-5704

1 Amend Senate File 2160, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 1, line 4, by inserting after the word
4 "chapter," the words and figures "chapter 73, chapter
5 309, chapter 310,".
6 2. Page 1, by inserting after line 22 the
7 following:
8 "For purposes of this section, "public improvement"
9 means public improvements as defined in section 23.1
10 and includes road construction, reconstruction, and
11 maintenance projects.
12 This section applies to the state, its agencies,
13 and any political subdivisions of the state.
14 If it is determined that this may cause denial
15 of federal funds which would otherwise be available,
16 or would otherwise be inconsistent with requirements
17 of federal law, this section shall be suspended, but
18 only to the extent necessary to prevent denial of
19 the funds or to eliminate the inconsistency with
20 federal requirements."

BY HALVORSON of Clayton
H-5704 FILED MARCH 15, 1984 COREY of Louisa
ADOPTED (p. 1055)

SENATE FILE 2160

H-5707

1 Amend Senate File 2160, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 1, line 12, by inserting after the period
4 the words "Following the letting of a contract for
5 a public improvement, the public agency receiving
6 the bids shall publish in two newspapers of general
7 circulation within the geographical area of the public
8 agency, the two lowest bids to publicly indicate the
9 change in the cost of the public improvement as a
10 result of this section."

H-5707 FILED MARCH 15, 1984 BY SHERZAN of Polk
ADOPTED (*p. 1058*)

SENATE AMENDMENT TO HOUSE AMENDMENT TO
SENATE FILE 2160

H-5840

1 Amend the House amendment S-5443 to Senate File
2 2160, as amended, passed, and reprinted by the Senate,
3 as follows:
4 1. Page 1, by striking lines 6 through 13.

H-5840 FILED MARCH 26, 1984 RECEIVED FROM THE SENATE
House covered 3/27 (p. 1359)

HOUSE AMENDMENT TO SENATE FILE 2160

S-5443

1 Amend Senate File 2160, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 1, line 4, by inserting after the word
4 "chapter," the words and figures "chapter 73, chapter
5 309, chapter 310,".
6 2. Page 1, line 12, by inserting after the period
7 the words "Following the letting of a contract for
8 a public improvement, the public agency receiving
9 the bids shall publish in two newspapers of general
10 circulation within the geographical area of the public
11 agency, the two lowest bids to publicly indicate the
12 change in the cost of the public improvement as a
13 result of this section."
14 3. Page 1, by inserting after line 22 the
15 following:
16 "For purposes of this section, "public improvement"
17 means public improvements as defined in section 23.1
18 and includes road construction, reconstruction, and
19 maintenance projects.
20 This section applies to the state, its agencies,
21 and any political subdivisions of the state.
22 If it is determined that this may cause denial
23 of federal funds which would otherwise be available,
24 or would otherwise be inconsistent with requirements
25 of federal law, this section shall be suspended, but
26 only to the extent necessary to prevent denial of
27 the funds or to eliminate the inconsistency with
28 federal requirements."
29 4. Page 1, by inserting after line 22 the
30 following:
31 "Sec. ____ . Section 1 applies to contracts for
32 public improvements for which requests for bids are
33 published or requested after the effective date of
34 this Act."
35 5. Renumber sections and correct internal
36 references as necessary in accordance with this
37 amendment.

S-5443 FILED
MARCH 19, 1984

RECEIVED FROM THE HOUSE
Amended (5840) & concurred 3/26 (p. 1024)

SENATE FILE 2160

S-5510

1 Amend the House amendment S-5443 to Senate File
2 2160, as amended, passed, and reprinted by the Senate,
3 as follows:
4 2. Page 1, by striking lines 6 through 13.

S-5510 FILED
MARCH 26, 1984
ADOPTED (*p. 1023*)

BY JAMES D. WELLS
MERLIN D. HULSE
TED ANDERSON

SENATE FILE 2160

AN ACT

TO PROVIDE A PREFERENCE FOR RESIDENTS IN AWARDING OF PUBLIC CONTRACTS IN CERTAIN SITUATIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Chapter 23, Code 1983, is amended by adding the following new section:

NEW SECTION. 23.21 BID PREFERENCE UNDER CERTAIN CONDITIONS. Notwithstanding this chapter, chapter 73, chapter 309, chapter 310, chapter 331, or chapter 384, when a contract for a public improvement is to be awarded to the lowest responsible bidder, a resident bidder shall be allowed a preference as against a nonresident bidder from a state or foreign country which gives or requires a preference to bidders from that state or foreign country. The preference is equal to the preference given or required by the state or foreign country in which the nonresident bidder is a resident. "Resident bidder" means a person authorized to transact business in this state and having a place of business for transacting business within the state at which it is and has conducted business for at least six months prior to the first advertisement for the public improvement and in the case of a corporation, at least fifty percent of the common stock is owned by residents of this state. If another state or foreign country has a more stringent definition of a resident bidder, the more stringent definition is applicable as to bidders from that state or foreign country.

For purposes of this section, "public improvement" means public improvements as defined in section 23.1 and includes road construction, reconstruction, and maintenance projects.

This section applies to the state, its agencies, and any political subdivisions of the state.

If it is determined that this may cause denial of federal funds which would otherwise be available, or would otherwise be inconsistent with requirements of federal law, this section shall be suspended, but only to the extent necessary to prevent denial of the funds or to eliminate the inconsistency with federal requirements.

Sec. 2. Section 1 applies to contracts for public improvements for which requests for bids are published or requested after the effective date of this Act.

Sec. 3. This Act, being deemed of immediate importance, takes effect from and after its publication in the Waterloo Courier Record, a newspaper published in Waterloo, Iowa, and in The Red Oak Express, a newspaper published in Red Oak, Iowa.

ROBERT T. ANDERSON
President of the Senate

DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2160, Seventieth General Assembly.

K. MARIE THAYER
Secretary of the Senate

Approved *April 3*, 1984

TERRY E. BRANSTAD
Governor

S. F. 2160